

Opening Statement
Chairman Mark Souder

“FY 2006 Drug Control Budget and the Byrne Grant, HIDTA and other law enforcement programs: Are we jeopardizing federal, state and local cooperation?”

Subcommittee on Criminal Justice, Drug Policy,
and Human Resources
Committee on Government Reform

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Good afternoon, and thank you all for coming. This hearing is the second in a series of hearings providing oversight of the President's budget proposals for drug control programs, as well as for legislation to reauthorize the Office of National Drug Control Policy (ONDCP) and the High Intensity Drug Trafficking Areas (HIDTA) program. This hearing will focus on the President's proposed changes to some very important drug enforcement programs.

The Administration released its budget proposal for all federal programs for fiscal year 2006 last month. One of the most significant policies reflected in that budget is a proposal to cut most federal support for state and local drug enforcement. Among other things, the Administration is proposing to eliminate the Byrne Grants to state and local law enforcement; to cut the HIDTA program by more than 50 percent and transfer its remaining funds to the Justice Department's Organized Crime Drug Enforcement Task Force (OCDETF) program; to cut the "Meth Hot Spots" program administered by the Justice Department's Community Oriented Policing Services (COPS) office by more than 60 percent; and significantly to reduce the funding for the Counterdrug Technology Assessment Center (CTAC) Technology Transfer program.

The Subcommittee shares some of the Administration's concerns about excessive or misdirected federal support to local agencies. It is certainly true that federal dollars should not be spent on purely local concerns in the form of "pork barrel" funding; rather, they should be tied to clear national priorities. Similarly, Congress must be careful not to make state and local agencies too dependent on federal dollars, as these agencies must remain under the control of and respond to the needs of state and local taxpayers. State and local governments have a responsibility to fund their own counter-narcotics efforts.

That being said, it does not follow that all federal assistance to state and local agencies lacks national impact. State and local law enforcement personnel are fighting on the "front lines" in the struggle to stop drug trafficking. They make over 90 percent of drug-related arrests and seizures. They have a wealth of intelligence that could be very valuable if shared with federal authorities. Federal assistance to these agencies can have a major positive impact, by involving them in the national goals of enforcement, treatment, and prevention. The proper solution is to propose reforms to the programs, rather than simply cutting them.

We hope at this hearing to address these broader issues, and to review the Administration's specific proposals for certain key programs.

First among them is the HIDTA program. This program was created in 1990 to help reduce the nation's overall supply of illegal drugs by bringing together federal, state, and local law enforcement agencies in the most significant regions (each referred to as a "HIDTA") where drugs were created, smuggled, or distributed. Under current law, the Director of ONDCP may designate certain areas as "HIDTAs", making them eligible for federal funding. That funding is administered locally by an executive board made up of equal representation of federal agencies on one side, and state and local agencies on the other.

As the program's budget has grown – from only \$25 million at its inception to \$228,350,000 in fiscal year 2005 – the number of designated regions has grown as well. From the initial five HIDTAs in 1990, the program has expanded to 28 HIDTAs, and pressure is building in Congress to create even more of them.

As the program has expanded, its focus has frequently drifted from activities that are truly targeted at the national supply of drugs, to activities with a primarily regional or local impact. Congress itself has exacerbated the problem by refusing to allow ONDCP sufficient discretion over the program's budget. For many years, appropriations bills have forbidden ONDCP from funding any HIDTA at below its previous year's level – effectively locking in \$206 million of its budget. ONDCP has had true discretion over less than 10 percent of the program's funds.

In response to these difficulties, the Administration has proposed cutting the program's budget from fiscal year 2005's enacted level of \$228,350,000 to \$100,000,000. Even more significantly, the Administration has requested that the remaining \$100 million be funded through the Organized Crime Drug Enforcement Task Force (OCDETF), a Department of Justice program. If enacted, this proposal would effectively terminate the current HIDTA program.

The Subcommittee agrees with the Administration that the HIDTA program is in need of some reform. The Administration's proposal, however, is both premature and too sweeping. First, the program cannot and should not be transferred in whole or in part to OCDETF without authorizing legislation. Such legislation is needed to define the goals of the program and the means of its implementation.

Second, the Subcommittee is mindful of the serious disruption of drug enforcement activities in the individual HIDTAs that this sweeping proposal would create, at least in the short term. It would be very undesirable for the federal government to take action that drives away state and local participants. The Subcommittee will, however, carefully study the Administration's proposal as it continues its work on the reauthorization of HIDTA and ONDCP.

Today's hearing will also review the CTAC program, which was established in 1990 to oversee and coordinate the federal government's anti-drug research and development. The Administration is requesting only \$30,000,000 for the CTAC program, a sharp decrease from the \$40,000,000 requested for fiscal year 2005, and the \$42,000,000 appropriated by Congress. The proposed decreases would cut the research program nearly in half – from \$18 million to \$10 million – while reducing the Technology Transfer Program by \$4 million, from \$24 million to \$20 million.

The program is certainly in need of greater direction and oversight; ONDCP has not yet demonstrated that the Technology Transfer Program supports national goals in reducing overall

drug trafficking and improving interagency communication and cooperation. Such dramatic cuts, however, do not amount to reform – they will only exacerbate the tensions within the program. As with HIDTA, the Subcommittee intends to review the CTAC program and its future as it continues its work on the reauthorization of ONDCP and its programs.

The Subcommittee has concerns about the proposed reduction in the COPS Meth Hot Spots, dedicated to law enforcement activities against methamphetamine trafficking. Methamphetamine abuse has ravaged communities across the United States, and put severe strains on state and local enforcement agencies forced to find clandestine drug labs, clean up the environmental damage they create, and arrest the drug trafficking rings that operate them. To assist these overburdened agencies, Congress approved \$54,050,000 in fiscal year 2004 and \$52,556,000 in fiscal year 2005.

The Administration is requesting only \$20,000,000 for fiscal year 2006 (identical to last year's request for \$20,000,000), a cut of more than 60 percent from appropriated funds for 2005. This would greatly reduce the ability of State and local law enforcement agencies to help their Federal partners in reducing methamphetamine abuse, particularly given the proposed overall reduction in State and local law enforcement assistance grants.

The Subcommittee also has serious concerns about the Administration's proposal to terminate the state grants component of the Edward Byrne Memorial Justice Assistance Grant program. Congress already complied with the Administration's request to consolidate previously separate grant programs into the single Byrne Grants program. The Administration now proposes to eliminate the \$634 million that Congress appropriated last year for the Byrne Grants, and restrict federal to a series of enumerated grants (most of which are previously existing programs) under a "Justice Assistance" account. In practice, this will sharply limit the amount of money available to help state and local agencies.

The Subcommittee shares the Administration's concerns about excessive federal subsidization of state and local law enforcement. The Administration's proposed cuts, however, would create massive shortfalls in the budgets of state and local law enforcement agencies across the country. I believe that the Administration should instead propose reforms, where needed, to some of the federal government's assistance grants.

We have quite a mix of witnesses with us today, and we would especially like to welcome all the representatives of federal, state, and local law enforcement community who are joining us here at this time. From the Department of Justice on our first panel we will hear from Tracy Henke, Deputy Associate Attorney General at the Office of Justice Programs who will discuss the Byrne Grants, COPS, and similar justice assistance programs, and Catherine O'Neil, Associate Deputy Attorney General and Director of OCDETF, who will discuss the proposed transfer and restructuring of the HIDTA program. We will also hear from John Horton, Associate Deputy Director at ONDCP for State and Local Affairs.

The second panel will give us the state and local perspective. We welcome Ron Brooks, President of the National Narcotics Officers' Associations Coalition and Director of the Northern California HIDTA; Tom Carr, the Director of Washington-Baltimore HIDTA; Tom Donahue, the Director of the Chicago HIDTA; Chief Jack Harris, of the Phoenix Police Department and Vice-Chair of the Southwest Border HIDTA; Leonard Hamm, the Acting Baltimore Police Commissioner; Mark Henry, the President of the Illinois Drug Enforcement Officer's Association; and Sheriff Jack L. Merritt, of Greene County, Missouri.

Again, thank you all for coming from so many places across the country to be here today. We very much look forward to your testimony.